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FRANK O'BANNON
GOVERNOR

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***O'Bannon hails investment by Roche
that protects 2,150 jobs, creates 600 more***

Governor Frank O'Bannon today praised Roche Diagnostics Corp. for investing \$135 million in its Indianapolis-based North American headquarters, protecting 2,150 jobs and creating 600 more by 2012.

"Roche Diagnostics' decision to expand its operations here sends a loud and clear message that Indiana provides a promising environment for life sciences and advanced manufacturing," O'Bannon said. "We are thrilled that Roche views Indiana as a place where it can conduct high-level research and develop high-tech products and services.

"And just as Indiana clearly fits into Roche's long-term plans, this company's work fits perfectly into our plans to expand four promising sectors in the Indiana economy – the life sciences, advanced manufacturing, information technology and distribution."

The governor, Lieutenant Governor Joe Kernan and Indianapolis Mayor Bart Peterson joined Roche executives at a news conference this morning to announce the company's plans to invest \$135 million in building and equipment improvements.

"This is good news on several fronts – the obvious one, of course, is that 2,750 good-paying jobs are staying or being created in Indiana," O'Bannon said. "We also consider this decision by Roche to be a vote of confidence by an established company in Indiana's ability to support companies in the sectors we specifically seek to expand through our Energize Indiana plan."

Energize Indiana is the O'Bannon-Kernan administration's 10-year, \$1.25 billion economic development initiative that will diversify Indiana's economy by focusing on four areas that show promise – the life sciences, advanced manufacturing, information technology and high-tech distribution. It does not use a single state tax dollar but invests in public schools, rural communities, established companies, students, growing businesses and colleges and universities.

"Combined with the advances made by last year's historic tax restructuring, Energize Indiana will position Indiana as *the* premier place for life sciences companies," said Kernan, who serves as the director of the Indiana Department of Commerce.

“If Energize Indiana becomes law, welcoming innovative, high-growth companies like Roche to our state will become commonplace.”

During the next several years, Roche will undertake several projects that will expand its research and development work, laboratory, manufacturing, distribution, information technology and corporate headquarters operations.

Indianapolis competed with Florence, S.C., and Philadelphia, Penn., for the project. The state and the city together offered more than \$22.2 million in incentives to secure the expansion. The Indy Partnership, a privately funded, not-for-profit organization focused on economic growth in Central Indiana, also worked on the project.

The Indiana Department of Commerce awarded up to \$7.575 million in EDGE tax credits over 10 years; \$1.37 million in training grants from the Skills Enhancement Fund; and \$375,000 to the city to offset the costs of public infrastructure improvements required by the project. (EDGE stands for Economic Development for a Growing Economy.)

Working with the Indiana Department of Workforce Development, Commerce also offered up to \$50,000 from the TECH Fund to assist in training the company’s information technology professionals. (TECH stands for Technology Enhancement Certifications for Hoosiers.)

The city of Indianapolis has offered the company abatement of real property taxes for 10 years, valued at \$5.56 million, and \$7.08 million in abatements on personal property. Indianapolis also has identified \$250,000 for infrastructure improvements in support of the expansion.

“We are delighted that the city of Indianapolis and the state of Indiana are partners in our future,” Martin Madaus, president and chief executive officer of Roche Diagnostics, North America, said. “This economic incentive package is testimony that Indiana is a viable and attractive location for any business, and specifically Indiana’s life sciences industry.”

The Commerce Department awards Skills Enhancement Fund grants to Indiana companies that undertake capital investment projects to defray the costs of training new and current employees in basic work skills and company-specific skills. EDGE tax credits, based on payroll, are awarded to companies that expand within Indiana, particularly when a project would otherwise locate in another state or country.

Companies interested in these or other programs should contact the Commerce Department at 800-463-8081 or visit its Web site at www.indianacommerce.com.

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